

California Department of Corrections
Financial Information Memo

SUBJECT: LONG-TERM ASSIGNMENTS	FIM NUMBER: 2001-06
REFERENCES: STATE ADMINISTRATIVE MANUAL SECTIONS 0722, 0700, 0710 DEPARTMENT OF PERSONNEL ADMINISTRATION SECTIONS 599.619, 599.621 CDC TRAVEL GUIDE	DATE: June 15, 2001

DISTRIBUTION

Executive Staff
Wardens
Accounting Management Branch
Office of Personnel Management
Regional Accounting - Administrators

PURPOSE

The purpose of this Financial Information Memo (FIM) is to inform the Department of Corrections (CDC) Institutions and Divisions of the procedures to initiate, approve, monitor and account for Long-Term Assignments (LTA).

This procedure is established to allow coordination between the employee, the sending and receiving organizations, the Personnel Offices and the Accounting Offices when a CDC employee is on LTA. The CDC has established guidelines on LTA outlined in the Departmental Travel Guide and based upon individual labor agreements and Department of Personnel Administration (DPA) rules and regulations.

DISCUSSION

Although the rules governing reimbursement of expenses for employees on Long Term Assignment differ from those for Short Term Travel, many employees are unaware of the differences. This lack of knowledge can result in financial hardships for employees; therefore, this procedure will establish detailed guidelines on LTAs.

California Department of Corrections

Financial Information Memo

Long-Term Assignments
Page 2

BACKGROUND

An employee is automatically considered on LTA if he/she is temporarily assigned to any one geographic location for longer than 30 consecutive days.

The DPA Sections 599.619 and 599.621 regarding subsistence allowance states:

"short-term allowance is intended for trips of such duration that weekly or monthly rates are not obtainable and will be discontinued after the 30th consecutive day in one location unless a continuation has been previously approved by the appointing power. After 30 consecutive days in one location, an employee shall claim the long-term allowance."

LTA terminates when the employee is assigned to another geographical location.

If a LTA exceeds 12 months at a single geographic location, subsistence allowance payments are reportable for tax purposes.

LTA per-diem rates are less than short-term per-diem rates and vary based upon a series of qualifications:

- The employee must continue to maintain a permanent residence at the primary headquarters,
- The permanent residence must be occupied by the employee's dependants, or
- The permanent residence must be maintained at a net expense to the employee exceeding \$200 per month.

While on LTA an employee may request short-term travel rates.

- Short-term travel rates must be approved in advance and shall not exceed 30 consecutive days.
- Approval must be obtained in writing prior to the conclusion of the first 30 days on LTA from the Chief Financial Officer, Office of Financial Management to approve short-term per-diem beyond the 30-day limit.

Additional information regarding rates of compensation and use of personal or state vehicles is contained in the CDC Travel Guide. It is recommended that all parties review the CDC Travel Guide before a LTA is authorized. The CDC Travel Guide can be located on the CDC web page @ http://intranet/accounting/html/travel_revised.html.

California Department of Corrections

Financial Information Memo

Long-Term Assignments
Page 3

ACTION REQUIRED

I FORMS:

The following forms must be completed for each employee on LTA. **Employees on LTA who do not have these forms completed and approved will not be reimbursed for costs incurred.**

- STD 653 – LONG-TERM ASSIGNMENT AND CERTIFICATION OF SUBSISTENCE RATES. (Exhibit A) Prior to starting a long-term assignment, the employee must complete a STD 653 form. The STD 653 documents the conditions of the assignment. This is considered the contract between all parties and must be fully completed. There is to be only one STD 653 completed per assignment. Changes to the original STD 653 information are to be documented on the CDC 1227 (time extension) or by an additional memorandum (extension of short-term per-diem). (Exhibit B)
- STD 654 – LONG-TERM ASSIGNMENT COST ANALYSIS. (Exhibit C) If during the original planning for a long-term assignment it is anticipated that the assignment could last for over a year, the employee must complete a STD 654 form. The STD 654 presents a comparison between the costs for relocation and LTA. Advance approval from the DPA is required for any LTA where the estimated LTA cost exceeds the estimated relocation cost.
- CDC 1227 – REQUEST FOR EXTENSION OF LONG-TERM ASSIGNMENT. (Exhibit D) When the LTA duration exceeds the original estimate as indicated on the STD 653, the employee must complete a CDC 1227 to request an approval to extend their assignment. The CDC 1227 must be completed and approved by the Appointing Authority prior to the end of the original estimated duration.

California Department of Corrections

Financial Information Memo

Long-Term Assignments
Page 4

II RESPONSIBILITY:

- **EMPLOYEE**
 - ◆ Completes all forms required by LTA in an accurate and timely manner.
 - ◆ Obtains lodging at LTA rates.
 - ◆ If LTA lodging is not available prepares detailed memorandum explaining why accommodations could not be obtained. The memorandum must:
 - ❖ Be submitted prior to the conclusion of the first 30 days of the assignment;
 - ❖ Be recommended by the Receiving Location;
 - ❖ Be approved by the Chief Financial Officer, Office of Financial Management and include:
 - (a) The Name of the lodging establishment contacted;
 - (b) Date of contact;
 - (c) Lodging rate offered; and
 - (d) Reason why the accommodation was unacceptable.
 - ◆ Prepares and submits claims for reimbursement in a timely manner per CDC policy.
 - ◆ Must make travel arrangements through the Receiving Location.
 - ◆ Must receive prior authorization from their supervisor at the Receiving Location to return to their primary/permanent residence on their days off.
 - ❖ If authorized to return home and transportation expenses are paid by CDC, per-diem will terminate at the end of the employee's shift and will not resume until the start of their shift upon return, (i.e., if the employee goes home on a weekend, per-diem will not start again until Monday morning even though the employee may have returned and incurred lodging expense Sunday night.)
- **SENDING LOCATION**
 - ◆ Ensures the STD 653 and STD 654 (if necessary) are completed before the employee's assignment begins. Maintains a copy in the employee's file.
 - ◆ Continues to process the employee's payroll warrants and disburses them in accordance with the employee's instructions listed on the STD 653.
 - ◆ Coordinates with the Receiving Location and employee when an extension to the LTA is necessary.
 - ◆ Receives a copy of the CDC 1227 when an extension of the assignment is necessary.
 - ◆ Must provide the Receiving Location Accounting Office with copies of any STD 653, 654, and CDC 1227.

Long-Term Assignments
Page 5

California Department of Corrections Financial Information Memo

- ◆ Provides the employee with accommodation information.
- ◆ Receives a copy of the STD 653 and STD 654, if necessary, and establishes a file to ensure compliance with the STD 653 time frames and reimbursement amounts.
- ◆ Actively manages the LTA to ensure compliance with all rules and regulations.
- ◆ Pays for the travel related costs of the LTA, including but not limited to, per-diem and transportation expenses.
- ◆ **Authorizes employee's return to their primary/permanent residence on their days off.**
- **REGIONAL ACCOUNTING OR HEADQUARTERS ACCOUNTING SERVICES SECTION (Accounting Office)**
 - ◆ Unless otherwise documented, the Receiving Location is responsible for the costs of the LTA; therefore, their Accounting Office will process the employee reimbursement claims and associated transportation expenses (airfare and rental cars).
 - ◆ Actively monitors the LTA to ensure compliance with all rules and regulations.
 - ◆ Processes the employee's claims in accordance with the rules and regulations.
 - ◆ **Provides assistance to employees and management on LTA questions.**

III EMPLOYEE REIMBURSEMENT:

- **LTA TRAVEL ADVANCES**
 - ◆ Travel Advances are available from the Receiving Location in accordance with:
 - ❖ Departmental of Personnel Administration rules,
 - ❖ Bargaining Unit Agreements, and
 - ❖ CDC Travel Guide
 - ◆ Travel advances must be requested at Long-Term per-diem rates unless approval has been received for Short-Term per-diem rates.
 - ◆ To ensure cash flow to employees on LTA, it is recommended that the original advance request be for a 30 day period. Subsequent Travel Advance requests should be requested for two-week intervals.
 - ◆ Subsequent Travel Advances will be disallowed if not accompanied by a LTA claim to clear the outstanding advance.
 - ◆ Travel Advances are processed through the Receiving Location's Accounting Office.

California Department of Corrections

Financial Information Memo

Please distribute this memorandum to the appropriate staff. If you have further questions regarding this FIM, please contact William B. Dougherty, Chief, Accounting Management Branch at (916) 324-6525 or CALNET 454-6525.

ORIGINAL SIGNED BY:

WENDY STILL
Chief Financial Officer
Office of Financial Management

Attachments

cc: Institutional Regional Administrators
Parole Regional Administrators
Health Care Services Regional Administrators
Accounting Policies and Procedures Section

California Department of Corrections
Financial Information Memo

Exhibit A

**LONG-TERM ASSIGNMENT (LTA) INFORMATION AND
CERTIFICATION OF SUBSISTENCE RATES**

Instructions for completion of the STD 653.

If it is anticipated that during an assignment an employee may/will exceed 30 calendar days away from their established headquarters, the employee's assignment supervisor must ensure that the employee completes a LTA Information and Certification of Subsistence Rates (STD 653) form. The form should be completed as follows:

1. **Name** - *The employee's full name.*
2. **Civil service or exempt classification** - *The position's true classification and payroll number, i.e., Account Clerk II 065-519-1733-001.*
3. **Designated Headquarters** - *Original/established headquarters, i.e., if the employee is assigned to work at CMF, but is a PBSP employee, this would state PBSP.*
4. **Address of primary residence** - *employee's full address including city and zip code. The street address may be listed as "on file".*
5. **Address to which salary & expense checks should be sent** - *self-explanatory.*
6. **Number of miles between the following locations** - *all three must be completed.*
7. **Purpose of LTA** - *Short description of the assignment.*
8. **Location of LTA/Job-site (City)** - *New work-site, i.e., if the employee is assigned to work at CMF, but is a PBSP employee, this would state Vacaville.*
9. **District** - *NA for CDC.*
10. **Reporting Date** - *The date the assignment started.*
11. **Estimated completion date** - *This date should be the best estimate of when the assignment is to be completed. LTA amounts claimed after this date cannot be paid by the accounting office without an approved CDC 1227 (Request for Extension of LTA) on file.*
12. **Residence at LTA location** - *Factual information about lodging arrangements, i.e., XYZ Hotel until LTA accommodations can be arranged; Prison housing; ABC Apartments; etc.*
13. **I have the following dependants** - *Place an X in the boxes to complete the requested information. Correct entries are placed in the box BEFORE the information requested. Number of children should be placed in blank area after "children", i.e., Number of Children (2).*
14. **During this assignment, my dependants** - *Place an X in the appropriate box BEFORE the information requested and strike out the incorrect part of the statement (will or will not).*
15. **During this assignment, I** - *Place an X in the appropriate box BEFORE the information requested and strike out the incorrect part of the statement (will or will not).*

California Department of Corrections

Financial Information Memo

Exhibit A (cont.)

LONG-TERM ASSIGNMENT (LTA) INFORMATION AND CERTIFICATION OF SUBSISTENCE RATES

16. Only complete this section if your answer to 14 or 15 was “will not”. This is self-explanatory, but all entries here must be supported by documentation.

The certification agreed to by the employee states “if there is any change in any portion of the above, the employee must complete and submit a new form”. Changes to the original STD 653 information are to be documented on the CDC 1227 (time extension) or by additional memorandum (extension of short-term per-diem). Do not issue another STD 653. If the assignment supervisor becomes aware of any change in the assignment, the supervisor should ensure the employee completes the required documentation. There must be a selection of subsistence allowances requested by placing an X in the following boxes that apply:

- **No Allowance** - *Please use the extra space to explain why this selection is being made if the employee is on LTA. Examples are staying in Institution housing, or requesting confirmation that the employee is on travel status vs. LTA.*
- **Short-term allowance until long-term accommodations are located** - *This is the standard selection. After 30 calendar days, the employee will no longer be paid short-term allowances if this selection is made and approved. As soon as the employee makes long-term accommodations arrangements, the short-term allowance will cease, i.e., if the employee makes arrangements for accommodations at the long-term rate (currently \$24) two weeks into their assignment, the employee has secured long-term accommodations and the short-term allowance would cease and long-term allowance would start.*
- **Short-term allowance for more than 30 days** - *This requires the prior approval of the Chief Financial Officer, Office of Financial Management, and must be attached to the STD 653. If this selection is requested, the RAO cannot approve the form without the approval attached. Many times the employee is able to locate accommodations for less than the normal rate yet higher than the long-term rate. The employee would then need to request short-term for more than 30 days, i.e., the employee makes arrangements with their hotel to be charged at a rate less than the regular rate yet more than the long-term rate. Justifications must be attached (see Exhibit B).*
- **Full long-term allowance – effective** - *If the employee has located LTA accommodations this would be selected. The employee must enter an effective date. May be used in conjunction with the short-term allowance selections explained above.*
- **One-half long-term allowance – effective** - *This is the option for the employee on long-term assignment who does not maintain a separate residence in excess of \$200 per month (see response to item 15).*

Exhibit A (cont.)

California Department of Corrections
Financial Information Memo

- **Employee Signature** – *Self-explanatory.*
- **Approval Recommended – date** – *The supervisor at the sending location must **place** an **X** in the appropriate box, and **strike out the incorrect part of the statement** (yes or no).*

California Department of Corrections
Financial Information Memo

State of California

Exhibit B
Department of Corrections

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Memorandum

Date : *Prior to original 30 days*

To : *(name of CFO)*
Chief Financial Officer
Office of Financial Management

SAMPLE LETTER

Subject: **REQUEST FOR EXTENSION OF SHORT-TERM PER-DIEM ON LONG-TERM ASSIGNMENT**

In accordance with the Department Travel Guide and Department of Personnel Administration rules, the following information is presented to support my request for an extension of short-term per-diem while on my Long-Term Assignment (LTA). A copy of my Long-Term Assignment Information and Certification of Subsistence Rates STD 653 is attached to this request to document the original terms of my LTA.

I have contacted both hotels and apartment complexes in the area and have been unable to secure accommodations at the Long-Term Assignment rate of \$24.00 per day. Documentation to support my search activities is listed below.

(Your list must include a minimum of three locations contacted and contain the following information).

Establishment Contacted:

Date Contacted:

Lodging Rates quoted:

Reason why the accommodation was unacceptable:

Although LTA rates were unobtainable, I have located what I believe to be reasonable accommodations at *(name of establishment)* for *(amount)*. The normal rates for this establishment are *(amount)* and *(reason why this establishment is acceptable)*.

If you have questions, please contact me at

(LTA employee)

(Title)

cc: *(APPOINTING POWER, sending location)*

APPROVED/DISAPPROVED

(APPOINTING POWER, receiving location)

DATE

APPROVED/DISAPPROVED

(name of CFO)
Chief Financial Officer
Office of Financial Management

DATE

California Department of Corrections Financial Information Memo

Exhibit C

LONG-TERM ASSIGNMENT COST ANALYSIS

Instructions for completion of the STD 654.

If it is anticipated that the duration of an employee's LTA may/will exceed one year, the employee's sending location supervisor must ensure the employee completes a Long-Term Assignment Cost Analysis (STD 654) form. The STD 654 compares the cost of an LTA to Relocation to and from the LTA site.

The form should be completed as follows:

- **EMPLOYEE** – *self-explanatory.*
- **DIST-UNIT** – *the employee's headquarters.*
- **COST OF LTA** – *The total determined from the evaluation done on this form. The amount entered for one year must tie to the LTA column total, while the two-year amount is twice the one-year amount, i.e., if one year were \$35,000 two years would be \$70,000. Only complete the two-year amount if your LTA is estimated to last two years.*
- **COST OF RELOCATION** – *The total determined from the evaluation done on this form. The one-year and two-year amounts are the same.*
- **PER DIEM** – *To be completed for both LTA and relocation. When computing the number of days for LTA, you MUST exclude the days when transportation expenses are allowed to return home. Computations must be shown, i.e., 240 days @ \$24.00 per day.*
- **TRANSPORTATION COSTS** – *To be completed for both LTA and relocation. Computations must be shown, i.e., \$.31 per mile for 10 miles for 240 days.*
- **MOVEMENT OF HOUSEHOLD GOODS** – *To be completed for relocation only. For estimated weight and storage costs, obtain the name of a mover from your Accounting Office and ask for an estimate based upon the size of your household, i.e., 2400 sq. ft. home. Miscellaneous expenses are to be estimated at \$200.*
- **SALE OF RESIDENCE** – *To be completed for relocation only. This can include the cost of a lease settlement when a home isn't owned. For homes, estimate your value and multiply by 8.6%. Computations must be shown.*
- **ESTIMATED RELOCATION COST** – *This is the total of the computations made above. One Way indicates the full total to relocate to your 'new' headquarters. Round Trip is twice the One Way amount to allow for relocation back to your original headquarters when the LTA is over, i.e., if your one way relocation cost were \$24,000 your round trip would be \$48,000. The amount of the Round Trip is then entered in the COST OF RELOCATION section above.*
- **ESTIMATED ONE-YEAR LTA COST** – *This is for the totals of the computations made above. Enter the amount here and in the COST OF LTA section above.*

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California Department of Corrections
Financial Information Memo

Exhibit D

REQUEST FOR EXTENSION OF LONG-TERM ASSIGNMENT

Instructions for completion of the CDC 1227.

If the duration of an employee's LTA exceeds the original estimate, the employee's assignment supervisor must ensure the employee completes a Request for Extension of Long-Term Assignment CDC 1227 form. The CDC 1227 provides detailed information to management on what caused the need for an extension. This form must be completed prior to the end of the original estimate.

- **EMPLOYEE'S NAME** – *Self-explanatory.*
- **CIVIL SERVICE OR EXEMPT CLASSIFICATION** - *The positions true classification and payroll number, i.e., Account Clerk II 065-519-1733-001.*
- **PERMANENT/PRIMARY HEADQUARTERS** - *Original/established headquarters, i.e., if the employee is assigned to work at CMF, but is a PBSP employee, this would state PBSP.*
- **LTA HEADQUARTERS** - *New work-site, i.e., if the employee is assigned to work at CMF, but is a PBSP employee, this would state CMF.*
- **ORIGINAL LTA EFFECTIVE DATE** – *As stated on the STD 653.*
- **ORIGINAL ESTIMATED LTA COMPLETION DATE** – *As stated on the STD 653.*
- **REVISED ESTIMATED LTA COMPLETION DATE** – *The new date you are trying to justify.*
- **COST TO DATE OF LTA** – *The total amount spent to date including transportation costs.*
- **ESTIMATED ADDITIONAL COSTS OF LTA** – *The amount you have budgeted to spend to complete this additional period. Include computations to support this amount in the REASON FOR REQUEST section.*
- **REASON FOR REQUEST** – *Provide detailed information on why the original estimated LTA period was unattainable. Included in this section are the computations to support the additional cost of the LTA. Include information indicating sending location is in agreement with the extension. If attachments are necessary, please note that information here.*
- **TYPE OR PRINT NAME OF LTA SUPERVISOR** – *The receiving location supervisor.*
- **LTA SUPERVISOR'S SIGNATURE & DATE** – *Self-explanatory.*
- **APPROVED OR DISAPPROVED** – *By the receiving location.*
- **CHIEF DEPUTY DIRECTOR/WARDENS SIGNATURE & DATE** – *Self-explanatory, receiving location.*
- **DATE APPROVED CDC 1227 & STD 653 RECEIVED IN ACCOUNTING** – *For accounting office use only.*